

FLORIDA HOUSE OF REPRESENTATIVES

BILL ANALYSIS

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BILL #: [CS/HB 465](#)

TITLE: Community Association Management

SPONSOR(S): Nix and Basabe

COMPANION BILL: [CS/SB 822](#) (Gruters)

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Housing, Agriculture & Tourism](#)

16 Y, 0 N

[Commerce](#)

21 Y, 3 N, As CS

SUMMARY

Effect of the Bill:

The bill requires condominium associations, cooperative associations, and homeowners' associations with total annual revenues of \$750,000 or more to contract with a community association management firm (CAM firm). The bill requires the same for condominium associations that operate a multicondominium, regardless of the amount of annual revenue.

The bill clarifies that CAM firms that contract with a condominium association, cooperative association, or homeowners' association must possess all applicable licenses. The bill requires each board member and officer of the foregoing associations to ensure that a CAM or CAM firm is properly licensed before entering into a contract with that CAM or CAM firm.

The bill requires a CAM or CAM firm to obtain an errors or omissions insurance policy with a minimum limit of \$1 million prior to contracting with a community association. The bill provides that a CAM's license shall be immediately revoked upon being convicted of certain felonies, and shall be permanently barred from any future licensure as a CAM.

The bill provides clarification regarding the applicability of certain laws to timeshare management firms and CAMs employed by timeshare management firms.

Fiscal or Economic Impact:

The bill will have an indeterminate fiscal impact on the private sector.

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ANALYSIS

EFFECT OF THE BILL:

Errors and Omissions Insurance Policy

The bill requires a [community association manager](#) (CAM) or CAM firm, prior to contracting with a condominium association, cooperative association, or homeowners' association, to obtain coverage under an [errors or omissions insurance policy](#) with a minimum combined single limit of \$1 million, which must be separate from any insurance coverage provided by an association. (Section 1.)

Consequences of Certain Felonies on CAM Licensure

The bill specifies that if a CAM is convicted of or enters a plea of guilty or nolo contendere to any of the following felonies, regardless of adjudication, the [Department of Business and Professional Regulation](#) must immediately revoke the individual's CAM license, and the individual shall be permanently barred from any future licensure as a CAM:

- A first-degree felony;
- A capital felony;

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- A felony involving money laundering; or
- A felony involving theft or embezzlement. (Section 2.)

Condominium Associations

The bill requires [condominium associations](#) with total annual revenues of \$750,000 or more to contract with a CAM firm. The bill clarifies that each board member or officer of a condominium association has a duty to ensure that a CAM or CAM firm is properly licensed before entering into a contract with that CAM or CAM firm. (Section 3.)

The bill also requires a condominium association that operates a multicondominium to contract with a CAM firm, regardless of the amount of annual revenue. The bill specifies that the CAM firm must possess all applicable licenses required by part VIII of chapter 468, F.S. The bill provides that each board member or officer of a condominium association that contracts with a CAM or CAM firm has a duty to ensure that the CAM or CAM firm is properly licensed before entering into a contract with that CAM or CAM firm. (Section 4.)

Cooperative Associations

The bill requires [cooperative associations](#) with total annual revenues of \$750,000 or more to contract with a CAM firm. The bill specifies that the CAM firm must possess all applicable licenses required by part VIII of chapter 468, F.S. (Section 5.)

The bill provides that each board member or officer of a cooperative association that contracts with a CAM or CAM firm has a duty to ensure that the CAM or CAM firm is properly licensed before entering into a contract with that CAM or CAM firm. (Section 5.)

Homeowners' Associations

The bill requires [homeowners' associations](#) with total annual revenues of \$750,000 or more to contract with a CAM firm. The bill specifies that the CAM firm must have all applicable licenses required by part VIII of chapter 468, F.S. (Section 6.)

The bill provides that each board member and officer of a homeowners' association that contracts with a CAM or CAM firm has a duty to ensure that the CAM or CAM firm is properly licensed before entering into a contract with that CAM or CAM firm. (Section 6.)

Timeshare Management Firms

The bill clarifies that, unless a provision of part VIII of chapter 468, F.S., is made expressly applicable to [timeshare management firms](#) or CAMs employed by timeshare management firms, such timeshare management firms and CAMs are governed by the [Florida Vacation Plan and Timesharing Act](#) (Timeshare Act), and are only subject to the licensing and disciplinary requirements of part VIII of chapter 468, F.S. (Sections 7 and 8.)

The bill further clarifies that, if a timeshare management firm or CAM employed by a timeshare management firm also manages other accommodations¹ that are not part of a timeshare plan, then the above provisions do not apply to the management of such other accommodations, and the management of those accommodations are governed by part VIII of chapter 468, F.S. (Section 8.)

The bill specifies that the Timeshare Act governs in the event of a conflict between a provision of the Timeshare Act and a provision of part VIII of chapter 468, F.S. (Section 8.)

The bill also provides that the discharge of a managing entity of a timeshare plan is governed by [s. 721.14, F.S.](#), the Timeshare Act, and not [s. 468.4334, F.S.](#), in part VIII of chapter 468, F.S. (Section 9.)

¹ "Accommodation" means any apartment, condominium or cooperative unit, cabin, lodge, hotel or motel room, campground, cruise ship cabin, houseboat or other vessel, recreational or other motor vehicle, or any private or commercial structure which is real or personal property and designed for overnight occupancy by one or more individuals. [S. 712.05\(1\), F.S.](#)

Effective Date

The bill has an effective date of January 1, 2027. (Section [10](#).)

FISCAL OR ECONOMIC IMPACT:**PRIVATE SECTOR:**

The bill will likely increase costs for community associations subject to the bill that do not already contract with a CAM firm. A request for a formal analysis was submitted to the Department of Business and Professional Regulation on January 5, 2026.

RELEVANT INFORMATION**SUBJECT OVERVIEW:****Community Associations**

A community association is a residential association in which membership is a condition of ownership of a unit in a planned unit development, or of a lot for a home or a mobile home, or of a townhouse, villa, condominium, cooperative, or other residential unit which is part of a residential development scheme and which is authorized to impose a fee which may become a lien on the parcel.²

The table below summarizes the three major types of community associations recognized in Florida, the Florida laws that govern them, and the type of ownership specific to each association:

Community Association	Ownership Structure	Governed By
Condominium Association	“Condominium” means that form of ownership of real property created pursuant to ch. 718, F.S., which is comprised entirely of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in common elements. ³	Ch. 718, F.S.
Cooperative Association	“Cooperative” means that form of ownership of real property wherein legal title is vested in a corporation or other entity and the beneficial use is evidenced by an ownership interest in the cooperative association and a lease or other evidence of title or possession granted by the cooperative association as the owner of all the cooperative property. ⁴	Ch. 719, F.S.
Homeowners' Association	“Homeowners' association” means a Florida corporation responsible for the operation of a community or a mobile home subdivision in which the voting membership is made up of parcel owners or their agents, or a combination thereof, and in which membership is a mandatory condition of parcel ownership, and which is authorized to impose assessments that, if unpaid, may become a lien on the parcel. ⁵	Ch. 720, F.S.

² [S. 468.431\(1\), F.S.](#)

³ [S. 718.103\(12\), F.S.](#)

⁴ [S. 719.103\(12\), F.S.](#)

⁵ [S. 720.301\(9\), F.S.](#) The term “homeowners' association” does not include a community development district or other similar special taxing district created pursuant to statute.

Under Florida law, condominium associations, cooperative associations, and homeowners' associations with total revenues of \$500,000 or more are required to prepare audited financial statements.⁶

Community Association Management

Community association managers (CAMs) and community association management firms (CAM firms) provide community association management services, which means any of the following practices requiring substantial specialized knowledge, judgement, and managerial skill when done for pay and when the community association(s) served contain more than ten units or have an annual budget(s) in excess of \$100,000:

- Controlling or disbursing funds of an association;
- Preparing budgets or other financial documents for an association;
- Assisting in the noticing or conduct of association meetings;
- Determining the number of days required for statutory notices;
- Determining amounts due to the association;
- Collecting amounts due to the association before the filing of a civil action;
- Calculating the votes required for a quorum or to approve a proposition or amendment.;
- Completing forms related to the management of an association that have been created by statute or by a state agency;
- Drafting meeting notices and agendas;
- Calculating and preparing certificates of assessment and estoppel certificates;
- Responding to requests for certificates of assessment and estoppel certificates;
- Negotiating monetary or performance terms of a contract subject to approval by an association;
- Drafting pre-arbitration demands;
- Coordinating or performing maintenance for real or personal property and other related routine services involved in the operation of an association; and
- Complying with an association's governing documents and the requirements of law as necessary to perform any of the above activities.⁷

Licensure and Regulation

CAMs and CAM firms are licensed and regulated by the [Department of Business and Professional Regulation](#) (DBPR), and the Regulatory Council of Community Association Managers (Council) within DBPR, pursuant to part VIII of chapter 468, F.S.⁸ The Council is comprised of seven members appointed by the Governor; appointment must be confirmed by the Senate.⁹

A person may not manage (or hold herself or himself out to the public as being able to manage) a community association in the state unless she or he is licensed by DBPR.¹⁰ Similarly, a CAM firm or other organization responsible for the management of more than 10 units or an association budget of \$100,000 or greater may not engage (or hold itself out to the public as being able to engage) in the business of community association management in the state unless it is licensed by DBPR.¹¹

Under Florida law, a CAM or CAM firm is deemed to act as an agent of a community association when performing duties within the scope of authority authorized by a written contract with the association or chapter 468, F.S. Florida law prohibits a CAM or CAM firm from knowingly performing any act directed by a community association if doing so would violate state or federal law.¹² CAMs and CAM firms must discharge duties authorized to be performed on behalf of an association:

⁶ For condominium associations, see [s. 718.111\(13\)\(a\)3., F.S.](#) For cooperative associations, see [s. 719.104\(4\)\(b\)3., F.S.](#) For homeowners' associations, see [s. 720.303\(7\)\(a\)3., F.S.](#)

⁷ [S. 468.431\(2\), F.S.](#)

⁸ See [ss. 468.432\(1\)](#) and [468.4315, F.S.](#)

⁹ [S. 468.4315\(1\), F.S.](#)

¹⁰ [S. 468.432\(1\), F.S.](#)

¹¹ [S. 468.432\(2\), F.S.](#)

¹² [S. 468.4334\(1\)\(a\), F.S.](#)

- Loyally, skillfully, and diligently;
- Dealing honestly and fairly;
- In good faith;
- With care and full disclosure to the community association;
- Accounting for all funds; and
- Not charging unreasonable or excessive fees.¹³

Each contract between a community association and a CAM or CAM firm for community management services must include the following written statement in at least 12-point type, if applicable to the type of management services provided in the contract: "The community association manager shall abide by all professional standards and record keeping requirements imposed pursuant to part VIII and chapter 468, Florida Statutes."¹⁴ Florida law prohibits a contract between a community association and a CAM or CAM firm from waiving or limiting the professional practice standards required pursuant to part VIII of chapter 468, F.S.¹⁵

Florida law prohibits DBPR from renewing a CAM or CAM firm's license until the CAM or CAM firm submits proof that the CAM or CAM firm has completed the requisite hours of continuing education.¹⁶ The number of continuing education hours, criteria, and course content requirements are set by the Council by rule.¹⁷

Florida Vacation Plan and Timesharing Act

The [Florida Vacation Plan and Timesharing Act](#)¹⁸ (Timeshare Act), administered by the Division of Florida Condominiums, Timeshares, and Mobile Homes (Division) within DBPR, governs vacation plans and timeshare plans in the state. A timeshare plan is any arrangement, plan, scheme, or similar device (other than an exchange program), whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement, license, or right-to-use agreement or by any other means, whereby a purchaser, for consideration, receives ownership rights in or a right to use accommodations, and facilities, if any, for a period of time less than a full year during any given year, but not necessarily for consecutive years.¹⁹

The Timeshare Act requires a developer to provide a managing entity for each timeshare plan.²⁰ The managing entity is the person or organization responsible for operating and maintaining the timeshare plan.²¹ The managing entity may be the developer, a separate manager or management firm (such as a [timeshare management firm](#)), or an owners' association,²² and must be created prior to the first closing of the sale of a timeshare interest.²³

¹³ *Id.*

¹⁴ [S. 468.4334\(1\)\(c\), F.S.](#)

¹⁵ [S. 468.4334\(1\)\(d\), F.S.](#)

¹⁶ [S. 468.4337, F.S.](#)

¹⁷ *Id.* For the current continuing education requirements, *see* R. 61E14-4.001, F.A.C.

¹⁸ [Ch. 721, F.S.](#)

¹⁹ [S. 721.05\(39\), F.S.](#)

²⁰ [S. 721.13\(1\)\(a\), F.S.](#)

²¹ *See* [s. 721.05\(22\), F.S.](#)

²² An owners' association is an association made up of all owners of timeshare interests in a timeshare plan, including developers and purchasers of the timeshare plan. [S. 721.05\(27\), F.S.](#)

²³ [S. 721.13\(1\)\(a\), F.S.](#)

The duties of a managing entity of a timeshare plan include, but are not limited to:

- Management and maintenance of all accommodations and facilities constituting the timeshare plan.
- Collection of all assessments for common expenses.
- Providing annually to all purchasers of the timeshare plan an itemized annual budget that includes all estimated revenues and expenses.
- Maintenance of books and records concerning the timeshare plan, so that all such books and records are reasonably available for inspection by any purchaser or their authorized agent.
- Arranging for an annual audit of the financial statements of the timeshare plan by a certified public accountant licensed by the Board of Accountancy of DBPR, in accordance with generally accepted auditing standards as defined by the rules of the Board of Accountancy.
- Making available for inspection by the Division any books and records of the timeshare plan upon the request of the Division.
- Scheduling occupancy of the timeshare units, when purchasers are not entitled to use specific timeshare periods, so that all purchasers will be provided the use and possession of the accommodations and facilities of the timeshare plan which they have purchased.
- Performing any other functions and duties which are necessary and proper to maintain the accommodations or facilities of the timeshare plan, as provided in the contract and as advertised.
- Entering into an ad valorem tax escrow agreement prior to the receipt of any ad valorem tax escrow payments into the ad valorem tax escrow account, if an independent escrow agent is required by [S. 192.037, F.S.](#), and submitting to the Division the statement of receipts and disbursements regarding the ad valorem tax escrow account.²⁴

Errors and Omissions Insurance

An [errors and omissions insurance policy](#) (E&O policy) is a type of professional liability insurance designed to protect companies and their employees from potential legal claims and financial losses resulting from errors, mistakes, or negligence that may occur in the course of rendering professional services.²⁵ An E&O policy typically covers the costs of hiring a lawyer and any legal fees associated with defending a claim, as well as any settlement amount or judgement awarded for damages, up to the policy's limit.²⁶

Recent Legislation Affecting CAMs and CAM Firms

The Legislature has enacted legislation in recent years strengthening the regulation of CAMs and CAM firms in Florida. During the 2024 Regular Session, the Legislature passed CS/CS/CS/HB 1021,²⁷ which, among other things:

- Required CAMs and CAM firms to return all community association records within 20 days of the termination of a services agreement or a written request for return of the records, whichever occurs first.
- Provided that a CAM or CAM firm that fails to timely return community association records as described above is subject to suspension of its license and a fine of \$1,000 per day for up to 10 days.
- Required CAMs and CAM firms to disclose to the board of a community association any activity that may reasonably be construed to be a conflict of interest, created certain other conflict-of-interest disclosure requirements, and specified certain grounds for which disciplinary action could be taken.

The Legislature also passed CS/CS HB 1203²⁸ during the 2024 Regular Session. That bill, among other things, required CAMs and CAM firms for homeowners' associations to do all of the following:

- Attend in person at least one member meeting or board meeting of the homeowners' association annually.

²⁴ [S. 721.13\(3\), F.S.](#)

²⁵ National Association of Realtors, *Errors & Omissions Insurance*, <https://www.nar.realtor/errors-omissions-eo-insurance> (last visited Feb. 11, 2026). See also, Market Leader, *What is E&O Insurance?* (Jun. 12, 2023).

<https://www.marketleader.com/blog/what-is-eo-insurance-for-realtors/> (last visited Feb. 11, 2026).

²⁶ *Id.*

²⁷ See ch. 2024-244, Laws of Fla.

²⁸ See ch. 2024-221, Laws of Fla.

- Provide to the members of the homeowners' association the name and contact information for each CAM or representative of a CAM firm assigned to the homeowners' association, the manager's or representative's hours of availability, and a summary of the duties for which the manager or representative is responsible.
- Provide to any member, upon request, a copy of the contract between the CAM or CAM firm and the homeowners' association and include such contract with the association's official records.
- Biennially complete at least 5 hours of continuing education that pertains specifically to homeowners' associations, 3 hours of which must relate to recordkeeping.

During the 2025 Regular Session, the Legislature passed CS/CS/HB 913,²⁹ which, among other things:

- Prohibited a person who has had his or her CAM license revoked from having an ownership interest in, or be an employee, partner, officer, director, or trustee of, a CAM firm during the 10-year period after the effective date of the revocation.
- Required CAMs and CAM firms to create and maintain an online licensure account with DBPR, and specified certain information that must be included on the online licensure account.
- Prohibited a contract between a CAM or CAM firm and a community association from waiving or limiting the professional practice standards required by Florida law.

The Legislature also passed CS/HB 897³⁰ during the 2025 Regular Session. That bill, among other things:

- Exempted CAMs and CAM firms from certain requirements relating to conflicts of interest if the CAM or CAM firm manages a timeshare plan and provides certain disclosures relating to a conflict of interest.
- Specified that timeshare management firms and CAMs employed by timeshare management firms are governed by the Timeshare Act.
- Clarified that timeshare management firms and CAMs employed by timeshare management firms must discharge their duties in good faith.

²⁹ See ch. 2025-175, Laws of Fla.

³⁰ See ch. 2025-142, Laws of Fla.

RECENT LEGISLATION:

YEAR	BILL #/SUBJECT	HOUSE/SENATE SPONSOR(S)	OTHER INFORMATION
2024	<u>CS/CS/CS/HB 1021</u> - Community Associations	Lopez, V./ <i>Bradley</i>	Created conflict of interest disclosure requirements for CAMs and CAM firms, and revised certain requirements related to contractual obligations of CAMs and CAM firms to community associations. Approved by the Governor.
2024	<u>CS/CS/HB 1203</u> - Homeowners' Associations	Esposito, Anderson, Porras/ <i>Bradley</i>	Required certain associations to post specified documents online, created continuing education requirements for CAMs and CAM firms, and created certain requirements related to association finances. Approved by the Governor.
2025	<u>CS/CS/HB 913</u> - Condominium and Cooperative Associations	Lopez, V./ <i>Bradley</i>	Required CAMs and CAM firms to create an online licensure account with DBPR, amended conflict of interest provisions, and specified that CAMs and CAM firms that contract with a condominium association must have all applicable licenses. Approved by the Governor.
2025	<u>CS/HB 897</u> - Timeshare Plan Management	Berfield/ <i>McClain</i>	Amended certain provisions relating to timeshare condominiums, timeshare management firms, and CAMs employed by timeshare management firms. Approved by the Governor.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee	16 Y, 0 N	1/13/2026	Curtin	Fletcher
Commerce Committee	21 Y, 3 N, As CS	2/10/2026	Hamon	Fletcher

THE CHANGES ADOPTED BY THE COMMITTEE: The amendment:

- Provided that community associations with total annual revenues of \$750,000 or more, rather than \$500,000 or more, are subject to the bill's requirements to hire a CAM firm.
- Clarified that timeshare management firms and CAMs employed by a timeshare management firm are governed by the Timeshare Act and are only subject to Florida's laws governing the licensure and regulation of CAMs and CAM firms.
- Provided that, if a timeshare management firm or a CAM employed by a timeshare management firm also manages other accommodations that are not part of a timeshare plan, then the management of those other accommodations are governed by Florida's laws relating to the regulation of CAMs and CAM firms.
- Specified that the provisions of the Timeshare Act prevail in the event of a conflict between the Timeshare Act and Florida's laws relating to the regulation of CAMs and CAM firms.
- Required a CAM or CAM firm to obtain an errors or omissions insurance policy with a minimum combined single limit of \$1 million prior to contracting with a community association.
- Provided that a CAM's license shall be immediately revoked upon being convicted or entering a plea of nolo contendere to certain felonies, and shall be permanently barred from any future CAM licensure.

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.
